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## PORK POWERHOUSES 2009: BIG BOYS CUT BACK

By [Betsy Freese](#)

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For the first time since the annual Pork Powerhouses® ranking was launched in 1994, the nation's largest 25 producers have cut sow numbers. These companies report 200,000 fewer sows than one year ago, a drop of 6.4%. Only two firms increased sows from last year, Country View Family Farms (Hatfield) and Texas Farm. Fifteen firms reduced sow numbers, including the largest two, Smithfield Foods and Triumph Foods.



Red ink is flowing, cash is hard to get, and cuts are being made. Prestage Farms, Clinton, North Carolina, will cull 10% of its sows across all farms by December, bringing the company's total to 125,000 sows, says owner Bill Prestage. "When we cull we won't replace. This is worse than 1998 because it's lasted longer. The big thing that killed us is ethanol. H1N1 hasn't helped, either."

In Canada, the cuts started a couple of years ago. Don Janzen at Hytek in Manitoba says Canadian producers have liquidated 12-15% of the sow herd in the past two years. "The goal is to get rid of another 125,000 sows or 2.5 million pigs per year," says Janzen. "Canada used to produce 33 million pigs a year and by next year we will be down to 28.5 million. We've done our cuts, now it's up to the Americans."

- [Download the 2009 Pork Powerhouses list](#)

Many of the largest producers report that sow cuts don't translate to market hog numbers dropping. In fact, small cuts may actually do the opposite. "If you cut 4% or less you go up in pigs produced," says Bob Christensen of Christensen Farms in Sleepy Eye, Minnesota, part of the Triumph Foods system. "You're not crowding the system and people are able to do their jobs better. You have to cut 6.5% of your sows to see a real decrease in pigs produced."

Jimmy Pollack at J.C. Howard Farms, Deep Run, North Carolina agrees. "When we were maximizing the number of pigs coming out of sow farms we had to juggle nurseries and finishers. Now we don't have to do as much juggling."

Sow productivity is at an all-time high for most of the largest companies, with many farms averaging 24-26 pigs weaned per sow each year. "That's world-class performance," says industry consultant Randy Stoecker. "People are weaning more than 11 pigs per sow and seeing less than 3% mortality from wean to finish. They cut back sows, but the output of pigs does not go down. We are strangling ourselves with production."

Most producers say the H1N1 "swine" flu virus is a big problem for the industry, bigger than was originally acknowledged last spring. "Turn on your television or open most magazines, and you hear or read something

Pork Powerhouses 2009: Big boys cut back

negative about meat production or consumption," says Prestage.

Export markets are a major worry for these companies. "We are very dependent on Mexico buying a large volume of our pork, and their economy has its problems," says Stoecker. "I think hope, when it comes to exports, may be a factor in the slow rate of cut back in sows."

What will the next year bring? Many of the Pork Powerhouses predict negative cash flow for another six to nine months. Taking 200,000 sows out of production isn't going to be enough, they say. The industry needs to cut half a million. "Let some of these farms go dark, get the sows out of production, then if things turn around we can start up fresh," says Stoecker.

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## Top 25 U.S. Pork Powerhouses® 2009

2009 Ranking	Company/Headquarters	# of Sows In 2009	# of Sows In 2008
1	<b>Smithfield Foods/Smithfield, VA.</b> Plus 97,868 sows in Mexico, 76,955 in Poland, and 47,091 in Romania. Worldwide total: 1,144,165 sows.	922,251	1,020,000
2	<b>Triumph Foods/St. Joseph, MO.</b> Christensen: 162,500 (down 14,500), Hanor: 80,000 (no change), New Fashion Pork: 48,000 (down 4,000), Eichelberger: 25,000 (down 5,000), Allied Producers' Co-op: 56,000 (down 1,000).	371,500	396,000
3	<b>Seaboard Foods/Shawnee Mission, KS.</b> No plans for any changes at this time.	213,600	213,600
4	<b>Iowa Select Farms/Iowa Falls, IA.</b> Closing a multiplier and a commercial farm.	152,500	160,000
5	<b>The Pipestone System/Pipestone, MN.</b> Using a combination of strategies to cut production.	132,000	143,600
6	<b>The Maschhoffs/Carlyle, IL.</b> Broke ground in August on feed mill in Griggsville, IL.	130,000	130,000
6	<b>Prestage Farms/Clinton, NC.</b> Cutting back 10% of sows on all farms.	125,000	140,000
8	<b>Cargill/Minneapolis, MN.</b> No changes planned.	116,000	116,000
9	<b>The Carthage System/Carthage, IL.</b> More than 250 families involved in the system.	85,000	90,250
10	<b>AVMC Management Services/Audubon, IA.</b> Closed two farms.	77,000	82,000
11	<b>Maxwell Foods/Goldsboro, NC.</b> An additional 14,000 sows at Maxwell Farms of Indiana.	69,000	73,000
12	<b>Hormel Foods/Austin, MN.</b>	54,000	54,000
13	<b>Progressive Swine Technology/Columbus, NE.</b> Will hold at this level for a while.	53,200	55,200
14	<b>Tyson Foods/Springdale, AR.</b> Sold five farms and sent sows to slaughter.	52,000	70,000
15	<b>Country View Family Farms/Hatfield, PA.</b> Added sows on one farm in PA.	46,500	43,700
16	<b>Nebraska Pork Partners/Columbus, NE.</b> Liquidated 11% of herd and reduced slaughter weights by 22 lbs.	44,500	50,000
16	<b>Wakefield Pork/Gaylord, MN.</b>	40,500	41,000
18	<b>Holden Farms/Northfield, MN.</b>	40,000	40,000
19	<b>Texas Farm/Perryton, TX.</b>	40,000	39,000
20	<b>TriOak Foods/Oakville, IA.</b>	35,000	35,000
21	<b>Schwartz Farms/Sleepy Eye, MN.</b>	30,000	30,000
22	<b>Coharie Farms/Clinton, NC.</b> Will probably take a few more sows out.	29,000	31,700
23	<b>M2P2/Ames, IA.</b> Closing one older farm and reconfiguring others.	27,600	30,000
24	<b>Swine Graphics Enterprises/Webster City, IA.</b>	24,100	24,100
25	<b>Coastal Plains Pork/Harrells, NC.</b>	24,000	27,000
	<b>Total: Loss of 200,899 sows in 2009</b>	<b>2,934,251</b>	<b>3,135,150</b>



## Top 5 Canadian Pork Powerhouses® 2009

2009 Ranking	Company/Headquarters	# of Sows In 2009	# of Sows In 200
1	<b>Hytek/LaBroquerie, MB.</b> Emptied one older sow farm.	58,000	60,000
2	<b>Big Sky Farms/Humboldt, SK.</b> Closed a few small farms and cut out sow inventories at others.	42,000	47,800
3	<b>Maple Leaf Agri-Farms/Landmark, MB.</b> Sold swine genetics operation.	35,000	44,000
4	<b>The Puratone Corporation/Niverville, MB.</b> Bulk of reduction is contract production hat has been terminated.	28,000	40,000
5	<b>Sunterra Farms/LeRoy, SK.</b> 80% of the pigs are finished in the U.S., but Sunterra retains ownership.	13,000	13,000
	<b>Total Loss of 28,800 sows in 2009</b>	<b>176,000</b>	<b>204,800</b>